



INVESTOR UPDATE

QUARTER ENDED JUNE 30, 2008

- Infotech's financial performance has been discussed on a consolidated Group basis in this document.
- Infotech Group's operations comprise three overseas wholly-owned subsidiaries Infotech Enterprises Europe Ltd., U.K. (IEEL); Infotech Enterprises America Inc., (IEAI); and Infotech Enterprises GmbH (IE, GmbH), and the Indian partially-owned subsidiary Infotech Geospatial (India) Ltd.

KEY HIGHLIGHTS

- Revenue crosses Rs. 2 billion (Rs. 200 crores) for the quarter, Y-o-Y growth of 35% in Rupee terms.
- Revenue at \$ 48.1 Million for the quarter, Y-o-Y growth of 33% in \$ terms.
- Operating profits at 18.4% for the quarter, Y-o-Y improvement of 60 basis points.
- Net Profit after Tax at Rs. 245.6 million, an improvement of 89% Y-o-Y in rupee terms.
- Net Profit after Tax at \$ 5.9 million, an improvement of 87% Y-o-Y in \$ terms.
- All Wholly Owned Subsidiaries have achieved commendable revenues and profits.
- Business momentum and environment continues to be strong for key verticals - Manufacturing, Utilities and Telecom. We continue to make in-roads in the Asia Pacific, India and Middle East region.
- Net addition of 298 people during the quarter.



Commenting on the First quarter FY 09, Mr. BVR Mohan Reddy, Chairman and Managing Director, Infotech Enterprises, said, "I am pleased to announce another strong quarterly performance. The company has delivered a robust growth performance during the quarter under review. Revenues crossed Rs. 2 billion for the quarter.

*Our geographies, especially North America, have shown strong sustainable performance. Our order inflow is in line with our budgets and we do not see any significant effect of US slowdown on our order inflow. We continue to make in-roads in the Asia Pacific, India and Middle East region. Our diversified revenue portfolio, both in currencies and geographies, makes us believe that **the operating margins are not likely to be impacted any further.***

*Manufacturing, Utilities and Telecommunications, our key verticals continue to be robust in growth and don't show any signs of slow down. **We made some key wins in the Aerospace and Utilities domains during the quarter.** Going forward, we expect to continue to deliver significant growth on the back of increased order intake and high visibility of business in both the verticals."*

HIGHLIGHTS FOR THE QUARTER ENDED JUNE 30, 2008 (Q1 FY09)

FINANCIAL HIGHLIGHTS

Particulars	Q1 FY 09	Q4 FY 08	Q-o-Q	Q1 FY 08	Y-o-Y
Operating Revenue	2006.1	1874.0	7.1%	1488.1	34.8%
Operating Profit	368.9	341.6	8.0%	264.2	39.6%
Operating Margin	18.4%	18.2%		17.8%	
PAT (Post share of JV Profits)	245.6	259.3	-5.3%	129.7	89.4%

(All numbers in INR Million, except % data)

Particulars	Q1 FY 09	Q4 FY 08	Q-o-Q	Q1 FY 08	Y-o-Y
Operating Revenue	48.1	46.6	3.2%	36.1	33.2%
Operating Profit	8.8	8.5	4.1%	6.4	37.5%
Operating Margin	18.4%	18.2%		17.8%	
PAT (Post share of JV Profits)	5.9	6.5	-9.2%	3.2	84.3%
Exchange Rate (US\$ vs INR)	41.73	40.24		41.19	

(All numbers in US\$ Million, except % data)



- In Rupee terms, Revenue at Rs. 2.006 billion for the quarter; Y-o-Y growth of 34.8%, sequential growth of 7.1%.
- In \$ terms, Revenues at US\$ 48.1 millions for the quarter; Y-o-Y growth of 33.2% and sequential growth of 3.2%.
- In Rupee terms, Net Profit at Rs. 245.6 millions for the quarter; Y-o-Y growth of 89.4%.
- In \$ terms, Net Profit at US\$ 5.9 millions for the quarter; Y-o-Y growth of 84.3%.
- Operating margins are at 18.4%, an Y-o-Y increase of 60 basis points and sequential increase of 20 basis points.
- During the quarter, we recognised Rs. 81.8 million as Loss from Forward Contracts.
- Received dividend of Euro 277,778 from our German subsidiary.
- Cash and cash equivalents, including liquid investments, as on June 30, 2008 was Rs. 3,377 million. Net Cash generated from Operations during the quarter was Rs. 513 million.
- During the quarter, we incurred capital expenditure of Rs. 299 million.
- 24 customers were added during the quarter, 8 in UTG and 16 in EMI.
- Signed a MOU with a France based aviation company which is a major player in civil and military aviation industry. The MOU is initially for 5 years and aims to jointly collaborate and perform activities related to Ministry of Defence, Govt. of India proposed Medium Multi Role Combat Aircraft (MMRCA) offset program. This program is one of the strategically most important and largest Indian defence programs.
- Signed a multi-year contract with Tele Atlas to provide extensive map database and software development services.
- Strategic partnership with Zensar Technologies Limited to provide GIS services to a leading power utility, which has operations in US and UK.



- New service offerings: For Utilities - Diversifying into Customisation and implementation services of Distribution Management System; For Oil & Gas - experience being built around well-log activities. We also received new orders in EMI segment in certain niche areas like Stress engineering and Compact Boiler Stress Simulation.
- Inaugurated a new dedicated Aerospace centre at Bangalore facility.
- NDPL GIS System has won the prestigious “Edison Award” from the Edison Electric Institute for the Enterprise GIS solution which was developed, implemented and integrated by us.
- Participated in Farnborough International Airshow 2008 to display domain expertise in the industry. Also participated in ILA Berlin show and Rail Infrastructure Australia 2008.
- Completed over 7 million hours of work in Aerospace domain with a team of over 1800 engineers.
- Launched “Spoorti”, a platform for women empowerment.
- Krishna Bodanapu, Sr. Vice President and Head of Manufacturing Vertical, was awarded the “Young Manager of the Year” award for the year 2008 by Hyderabad Management Association.



INCOME STATEMENT FOR THE QUARTER ENDED JUNE 30, 2008

Particulars	Q1 FY 09	Q4 FY 08	Q-o-Q	Q1 FY 08	Y-o-Y
Operating Revenues	2006.1	1874.0	7.1%	1488.1	34.8%
Operating Expenditure	1637.2	1532.4	6.8%	1223.9	33.8%
Salary Costs	1092.1	920.2	18.7%	820.2	33.2%
Travel Expenditure	173.2	160.8	7.7%	122.0	42.0%
Purchases for Products / Re-sale	81.5	127.3	-36.0%	94.4	-13.7%
Other Operating Costs	290.4	324.1	-10.4%	187.3	55.0%
Operating Profits	368.9	341.6	8.0%	264.2	39.6%
Operating Margins	18.4%	18.2%		17.8%	
Depreciation & Amortization	107.5	103.0	4.4%	75.8	41.8%
Financial Expenses	10.4	11.5	-9.6%	4.5	131.1%
Other Income	32.8	91.8	-64.3%	(30.4)	-207.9%
Profit Before Tax	283.8	318.9	-11.0%	153.5	84.9%
PBT Margin	13.9%	16.3%		10.5%	
Tax	58.7	86.3	-32.0%	33.8	73.6%
Current	75.0	55.5		32.5	
Deferred	(20.5)	26.6		(2.5)	
Fringe Benefit	4.2	4.2		3.8	
PAT	225.0	232.6	-3.3%	119.7	88.0%
Share of Profits from - IASI	21.4	25.3	-15.4%	10.0	114.0%
Minority Interest - IGIL	(0.9)	1.4		-	
PAT inc. Share of Profits	245.6	259.3	-5.3%	129.7	89.4%
Net Margin	12.0%	13.2%		8.9%	
Basic EPS	4.71	5.08		2.81	

(All numbers in INR Million, except for % data)



PERFORMANCE METRICS (Q1 FY09)

GROUP REVENUE ANALYSIS

Group Revenue Analysis	Q1 FY09	Q4 FY08	Q1 FY08
Infotech Enterprises Ltd	1256.1	1225.8	962.6
Infotech Enterprises Europe Ltd	216.7	244.4	241.3
Infotech Enterprises America Inc.,	709.8	594.9	466.6
Infotech Enterprises, GmbH	462.9	455.8	297.3
Infotech Geospatial (India) Ltd	6.9	8.7	-
Gross Revenues	2652.4	2529.6	1967.8
Less: Intra Group Revenues	646.3	655.6	479.7
Net Revenues	2006.1	1874.0	1488.1

(All numbers in INR Million, except for % data)

GROUP PROFIT ANALYSIS

Group Profit Analysis	Q1 FY09	Q4 FY08	Q1 FY08
Infotech Enterprises Ltd	158.8	171.1	81.6
Infotech Enterprises Europe Ltd	9.6	5.6	13.7
Infotech Enterprises America Inc	52.4	40.8	12.6
Infotech Enterprises, GmbH	23.3	24.6	15.1
Infotech Geospatial (India) Ltd	3.3	-5.5	-
Gross Profit	247.4	236.6	123.0
Less: Others (Elimination)	-22.4	-4.0	-3.3
Profit After Tax	225.0	232.6	119.7
Share of Profits from IASI	21.4	25.3	10.0
Minority Interest of IGIL	-0.9	1.4	-
Profit after Minority Interest	245.6	259.3	129.7

(All numbers in INR Million, except for % data)



VERTICAL WISE REVENUE

Business Segment	Q1 FY09	Q4 FY08	Q1 FY08
Utilities Telecom and Government	723.4 (36.1%)	761.4 (40.6%)	565.3 (37.9%)
Engineering, Manufacturing and Industrial Products	1285.9 (64.1%)	1120.6 (59.8%)	924.5 (62.2%)
Less: Inter Vertical Sales	-3.2 (-0.2)	-8.0 (-0.4%)	-1.7 (-0.1%)
TOTAL	2006.1 (100.0%)	1874.0 (100.0%)	1488.1 (100.0%)

(All numbers in INR Million, except for % data)

GEOGRAPHY WISE REVENUE

Geography	Q1 FY09	Q4 FY08	Q1 FY08
North America	962.6 (48.0%)	824.3 (44.0%)	700.3 (47.1%)
Europe	820.2 (40.9%)	829.5 (44.3%)	698.0 (46.9%)
Asia/ Australia	223.4 (11.1%)	220.2 (11.7%)	89.8 (6.0%)
TOTAL	2006.1 (100.0%)	1874.0 (100%)	1488.1 (100.0%)

CLIENT CONCENTRATION

Concentration	Q1 FY09	Q4 FY08	Q1 FY08
Top 5	40.9%	41.3%	46.1%
Top 10	56.4%	53.9%	62.3%
Others	43.6%	46.1%	37.7%

VERTICAL WISE BREAKUP OF MANPOWER

Vertical Wise Manpower	30-June-08	31-Mar-08	30-June-07
UTG	3957	3801	2852
EMI	3190	3027	2596
Support Functions	172	193	152
TOTAL	7319	7021	5600



LOCATION WISE BREAKUP OF MANPOWER

Group Manpower Distribution Analysis	30-June-08	31-Mar-08	30-June-07
Infotech Enterprises Ltd.,	6719	6466	5161
Infotech Enterprises Europe Ltd	42	42	36
Infotech Enterprises America Inc.	351	330	301
Infotech Enterprises, GmbH	164	134	102
Infotech Geospatial (India) Ltd.	43	49	-
TOTAL	7319	7021	5600

ABOUT INFOTECH ENTERPRISES LIMITED

Infotech Enterprises Limited (IEL) is a global IT Services provider offering Engineering Design Services, Geospatial Information Services and IT Services. Over the last 17+ years Infotech has achieved in gaining expertise in Engineering Design Services in - Aerospace, Locomotives, Marine, Automobiles and other Industrial products. Geospatial Solutions for Telecommunication, Utilities and Government and Software Services.

Over +7000 highly skilled professionals in Infotech work onsite, offshore and near shores to provide high quality and value added services and solutions for companies in several industry sectors. Infotech Enterprises is an SEI CMMi Level 5 company, and certified to ISO 9001:2000, ISO 27001 and AS 9100 standards. Infotech Enterprises is a public listed company and has attracted globally reputed equity investors like Pratt & Whitney and General Atlantic Partners.

For more information, please visit www.infotech-enterprises.com

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